



STATE OF MICHIGAN

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GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

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DIRECTOR

January 12, 2016

TO: Federal Surplus Donees

FROM: Carolyn Rambo, Supervisor, State & Federal Surplus Programs

SUBJECT: Assessment of Service Charges

Effective January 1, 2016 Michigan's Federal Surplus Property Program revised its standard service charges on all direct transfers including overseas transfers. This standard service charge will ensure consistency of operations and allow all program participants to effectively plan for their property transfers. The service charge will be assessed as a percentage of the original Government Acquisition Cost (GAC) as follows:

Government Acquisition Cost (GAC)	New/Usable/Repairable	Salvage/Scrap
\$ 0 to \$ 19,999	13%	8%
\$ 20,000 to \$ 99,999	15%	7%
\$ 100,000 to \$ 499,999	4% - 10%	2% - 5%
\$ 500,000 to \$ 1,999,999	4%	2%
Service Fee Caps	\$20,000	\$10,000
Fixed Price Vehicle Sales (Per Vehicle)	\$500	\$500

Note: The maximum service charge for all direct transfer will be 15% of the GAC. A service fee cap is set at \$20,000 for new/usable/repairable items and \$10,000 for salvage/scrap items. The minimum total service charge per invoice will be \$100. This action is in accordance with Michigan's approved State Plan of Operation.

There will also be a \$500 processing fee per vehicle for all fixed price vehicles sales through GSA.

Please feel free to contact me at 517-241-4947 or ramboc1@michigan.gov with any questions.